

RHIIP LISTSERV ARCHIVE

U.S Department of Housing and Urban Development

Office of Multifamily Housing Programs

The Multifamily Housing RHIIP Listserv was established to provide the latest RHIIP related news, occupancy tips and other items of information for the stakeholders of the various HUD subsidized multifamily programs. If you are interested in subscribing to the Listserv, please visit: www.hud.gov/subscribe/mailinglist.cfm. The weekly postings will be archived on the Multifamily RHIIP webpage after every 10 posts.

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Disclaimer: The content contained in the HUD Listserv does not create, modify or delete HUD Departmental policy, it is only intended to serve as an informational resource.

If you should have any occupancy related question, please contact your assigned contract administrator, or your RHIIP Help Desk Representative. To find a list of the RHIIP Help Desk Representatives, please visit: http://www.hud.gov/offices/hsg/mfh/rhiip/helpdesk.pdf

#31 - Enterprise Income Verification (EIV) System Now Operational – July 18, 2006

Multifamily Housing Program Users Can Now Apply for Access to the Enterprise Income Verification (EIV) System

On July 17, 2006, the Headquarters Multifamily EIV Team became operational, on a temporary basis, to assign access authorization rights to EIV Coordinators. It is expected that the Multifamily Helpdesk will eventually assume the role of assigning and reassigning access rights to EIV. The forms and instructions for applying for EIV access authorization rights are contained on the new Enterprise Income Verification (EIV) system website for Multifamily Housing Program users. Accessible via Housing's Rental Housing Integrity Improvement Project (RHIIP) website (http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm), the new EIV website at: http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm currently provides EIV system capability and background information, instructions for accessing the EIV system data, required certification application forms, and system security measure requirements. An EIV System User Manual will also be available on the EIV website in the near future.

Once owners and management agents obtain access authorization rights to EIV they will be able to obtain social security and supplemental security income benefit information to help verify tenant-reported income that heretofore had only been available to them through the Tenant Assessment Subsystem which is scheduled to be eliminated on September 22, 2006. Furthermore, it is also intended that owners and management agents will be able to obtain through EIV, beginning on September 25, 2006, the Department of Health and Human Services' National Directory of New Hires Data which will provide additional information such as family new hire information, wage and unemployment insurance benefit data. The Department believes EIV is a critical tool to ensure that the right benefits go to the right persons and encourages owners and management agents to apply for EIV access authorization rights as soon as possible.

#32 - Income from a Business- July 26, 2006

RHIIP TIP:

Income from a Business

When calculating annual income, owners must include the net income from operation of a business or profession including self-employment income. Net income is gross income less business expenses, interest on loans, and depreciation computed on a straight-line basis.

- 1. In addition to net income, owners must count any salaries or other amounts distributed to family members from the business, and cash or assets withdrawn by family members, except when the withdrawal is a reimbursement of cash or assets invested in the business.
- 2. When calculating net income, owners must not deduct principal payments on loans, interest on loans for business expansion or capital improvements, other expenses for business expansion, or outlays for capital improvements.
- 3. If the net income from a business is negative, it must be counted as zero income. A negative amount must not be used to offset other family income.

For further information, please refer to Paragraph 5-6G of *HUD Handbook 4350.3 REV-1 Occupancy Requirements of Subsidized Multifamily Housing Programs*.

#33 – Publications - RHIIP Newsletter – August 4, 2006

PUBLICATIONS

The latest RHIIP Newsletter has been posted on the HUD Multifamily RHIIP website. Articles include "Locking out Tenant Fraud in Multifamily Housing Programs", "GAO 05-224 Audit in Brief on HUD Rental Assistance and Challenges in Measuring and Reducing Improper Rent Subsidies", as well as a message from Assistant Secretary for Housing - FHA Commissioner Brian Montgomery on the achievements HUD has made in reducing improper payments. You can find this newsletter, as well as other information relating to the RHIIP initiative at http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm.

#34 - Exemption for Student with Disabilities – August 8, 2006

Students with Disabilities Receiving Section 8 as of November 30, 2005, Exempt From Section 8 Restriction

On July 27, 2006, President Bush signed into law an amendment that exempts college students with disabilities from the restriction on providing Section 8 rental assistance to college students if the student with the disability was receiving the assistance as of November 30, 2005. The text of the amendment is as follows:

SECTION 1. EXEMPTION OF PERSONS WITH DISABILITIES FROM SECTION 8 RENTAL ASSISTANCE PROHIBITION

Subsection (a) of section 327 of Public Law 109-115 (119 Stat. 2466) is amended –

- (1) in paragraph (5), by striking "and" at the end;
- (2) by redesignating paragraph (6) as paragraph (7); and
- (3) by inserting after paragraph (5) the following new paragraph:

"(6) is not a person with disabilities, as such term is defined in section 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C.1437a(b)(3)(E)) and was not receiving assistance under such section 8 as of November 30, 2005".

The exemption is effective as of July 27, 2006. The Offices of Housing and Public and Indian Housing will be issuing a notice to this effect in the near future.

#35 – Housing Notice H 06-11 – September 1, 2006

RHIIP TIP

- 1. Assets are items of value that may be turned into cash. A savings account is a cash asset. The bank pays interest on the asset. The interest is the *income* from that asset.
- 2. Some tenants have assets that are not earning interest. A quantity of money under a mattress is an asset: it is a thing of value that could be used to the benefit of the tenant, but under the mattress it is not producing income.
- 3. Some belongings of value are not considered assets. Necessary personal property is not counted as an asset.

For further information, please refer to Exhibit 5-2 of *HUD Handbook 4350.3 REV-1 Occupancy Requirements of Subsidized Multifamily Housing Programs* that summarizes the items that are considered assets and those that are not.

PUBLICATIONS

Housing Notice H06-11, issued August 8, 2006, regarding "Prepayments Subject to Section 250(a) of the National Housing Act" can be viewed at www.hudclips.org.